

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
FIRST-CLASS PACKAGE SERVICE CONTRACT 61
(MC2016-195)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2016-278

**NOTICE OF UNITED STATES POSTAL SERVICE OF
AMENDMENT TO FIRST-CLASS PACKAGE SERVICE CONTRACT 61,
WITH PORTIONS FILED UNDER SEAL**
(December 27, 2016)

The Postal Service hereby provides notice that the terms of First-Class Package Service Contract 61, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to First-Class Package Service Contract 61 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective one business day following the day that the Commission completes its review of this filing.

This amendment will not materially affect the cost coverage of First-Class Package Service Contract 61. Therefore, the supporting financial documentation and financial certification initially provided in this docket remain applicable. The Postal Service hereby incorporates by reference the Application for Non-Public Treatment originally filed in this docket, for the protection of the information that has been filed under seal.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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December 27, 2016

ATTACHMENT A

REDACTED AMENDMENT TO FIRST-CLASS PACKAGE SERVICE CONTRACT 61

AMENDMENT #1
OF
SHIPPING SERVICES CONTRACT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND

REGARDING
FIRST-CLASS PACKAGE SERVICE

WHEREAS, the United States Postal Service ("the Postal Service") and [REDACTED] ("Customer") entered into a shipping services contract regarding First-Class Package Service on October 31, 2016,

WHEREAS, the Parties desire to amend Sections I.E, I.K, and III under this contract.

NOW, THEREFORE, the Parties agree that the contract is hereby amended as detailed below. The existing contract remains unchanged in all other respects. This amendment shall become effective one business day following the day on which the Commission issues all necessary regulatory approval.

[Replace Sections I.E, I.K, and III, in their entirety, as follows:]

I. Terms

E. Volume Commitment: Customer should ship at least [REDACTED] Contract Packages annually. If the volume falls below the annual volume commitment for any Contract Year, the Postal Service at its sole discretion has the right to revert Customer to the most current First-Class Package Service published prices.

K. Annual Adjustment

1. For subsequent years of the contract, beginning on the first anniversary of the contract's effective date, customized prices under this contract will be the lesser of:
(a) the previous year's prices plus the most recent (as of the anniversary date) percentage change in prices of general applicability for First-Class Package Service, as calculated by the Postal Service, or (b) the previous year's prices plus [REDACTED]
2. Customized prices for the subsequent years will be calculated by the Postal Service and rounded up to the nearest whole cent. If the Postal Service maintains or decreases published prices of general applicability for First-Class Package Service, there shall be no change to contract pricing for that contract year.

III. Expiration Date and Termination

This contract shall expire three (3) years from the effective date, unless (1) terminated by either Party with 30 days' notice to the other Party in writing, (2) renewed by mutual agreement in writing, (3) superseded by a subsequent contract between the Parties, (4) ordered by the Commission or a court, or (5) required to comply with subsequently enacted legislation.

If, at the conclusion of this contract term, both Parties agree that preparation of a successor SSC is active, this SSC will be extended for up to two (2) ninety (90) day periods with official notification to the Commission at least seven (7) days prior to the contract's expiration date. Upon both Parties agreement of the extension, the escalation clause will be implemented in Section I.K. throughout the extension period.

IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be duly executed as of the later date below:

UNITED STATES POSTAL SERVICE

Signed by: _____

Printed Name: Cliff Rucker

Title: Senior Vice President, Sales and Customer Relations

Date: 12/22/14